

GOVERNMENT OF THE DISTRICT OF COLUMBIA
TAXICAB COMMISSION



OFFICE OF THE CHAIRPERSON

July 22, 2005

William Morrow, Esquire
Executive Director/General Counsel
Washington Metropolitan Area
Transit Commission
1828 L Street, NW, #703
Washington, DC 20036-5104

Dear Mr. Morrow:

Please accept this correspondence as a formal request by the District of Columbia Taxicab Commission (hereinafter "Commission") that the Washington Metropolitan Area Transit Commission (hereinafter "WMATC") investigate whether an increase in current interstate fares for District of Columbia taxicabs is warranted.

This request is made by the Commission based upon the fact that the last interstate fare increase implemented by WMATC occurred in May 2001.¹ Since that time, the Commission has increased its zone fare rates and incidental charges.² Although WMATC has increased the interstate incidental charges for District of Columbia taxicabs, it has not increased the base interstate fare and fare for mileage. Therefore, the Commission believes that an investigation is needed to determine whether the base interstate fare along with the fare for mileage should be increased.

The Commission is of the opinion that due to the fact that the District of Columbia has a unique fare structure in comparison to surrounding jurisdictions in the metropolitan area, WMATC's investigation should not involve a fare comparison with surrounding jurisdictions in making its determination. Instead, the Commission believes that WMATC should consider the Commission's increase in District of Columbia zone fare rates in May 2004 along with a number of factors which can be gleaned from specific statistical data.

The Commission suggests that WMATC consider the same statistical data it took into account in making its determination that a zone fare increase was warranted. WMATC should consider and review the following: occupational data from the Bureau of Labor

¹ The most recent interstate fare increase for District of Columbia taxicabs occurred in October 2004, for incidental charges only.

² The Commission increased its zone fare rates and incidental charges most recently in May 2004.

Statistics regarding taxicab operators in the District of Columbia; a comparison of the current Cost of Living Index and the index rate at the time of the last interstate fare increase that occurred in May 2001; occupational wage estimates for taxicab operators in the District of Columbia and surrounding jurisdictions; the mean annual income for taxicab operators in the District of Columbia and surrounding jurisdictions; the Consumer Price Index as it relates to taxicab vehicle maintenance costs; statistical data generated by the American Automobile Association as it relates to fuel prices in the District of Columbia and surrounding jurisdictions; the current inflation rate compared to the rate at the time of the last interstate fare increase for District taxicabs; and insurance rates of District of Columbia taxicab operators in comparison to surrounding jurisdictions.

It is the Commission's opinion that after careful consideration of the above-listed data coupled with the fare increase the Commission implemented last year, WMATC will have ample information to support an increase in District taxicab interstate fares.

Should you have questions about the Commission's investigation request, please contact me at 645-6005.

Sincerely,

Causton A. Toney, Esquire
Interim Chairperson

CAT/kal

cc: William Carter, IV, Commissioner
Horace Kreitzman, Commissioner
Inder R. Pahwa, Commissioner
Sandra Seegars, Commissioner
Stanley Tapscott, Commissioner
Theresa Travis, Commissioner